

103 KAR 18:110. Withholding methods.

RELATES TO: KRS 141.310, 141.370

STATUTORY AUTHORITY: KRS 131.130(1), 141.370

NECESSITY, FUNCTION, AND CONFORMITY: KRS 131.130(1) authorizes the department to promulgate administrative regulations necessary to administer and enforce Kentucky's tax laws. KRS 141.370 requires the department to establish the individual income tax withholding tables. This administrative regulation establishes withholding tables and describes the procedure for supplemental and mechanical withholding.

Section 1. Withholding Tables. An employer shall withhold Kentucky individual income tax from wages and salaries in accordance with Kentucky Form 42A003(T), Withholding Kentucky Income Tax, as incorporated by reference in 103 KAR 3:040. This material may also be obtained on the Department of Revenue's Web site at <http://revenue.ky.gov>.

Section 2. Supplemental Withholding. (1) In addition to tax required to be withheld by the tables in Section 1 of this administrative regulation, an employee may authorize his employer to withhold additional Kentucky income tax.

(2) An employee may authorize additional withholding by filing with the employer an amended Form K-4, Kentucky Department of Revenue Employee's Withholding Exemption Certificate (Revenue Form 42A804), incorporated by reference in 103 KAR 3:040.

(3) Withholding Exemption Certificate (Revenue Form K-4) with his employer. The amended certificate may claim fewer personal exemptions than are allowed, authorize the employer to withhold a specific amount of additional tax, or both.

Section 3. Mechanical Withholding. An employer may use the Computer Formula (Optional Withholding Method) contained in Kentucky Form 42A003(T), Withholding Kentucky Income Tax, as incorporated by reference in 103 KAR 3:040 instead of the tables required by Section 1 of this administrative regulation for the determination of the amount to withhold from an employee's wage or salary. (IW-11; 1 Ky.R. 331; eff. 2-5-1975; Am. 2 Ky.R. 588; 3 Ky.R. 287; eff. 8-4-1976; 9 Ky.R. 10; eff. 8-11-1982; 16 Ky.R. 2698; eff. 8-2-1990; 17 Ky.R. 1524; eff. 11-21-1990; 36 Ky.R. 1522; 2046-M; eff. 4-2-2010.)